THE HON'BLE SRI JUSTICE V.V.S.RAO

WRIT PETITION No.1404 of 2007

Between:

M/s.Transworld Garnet India Private Limited,
Having its Project Office at Dhandi Street, C.B.Road,
Srikakulam, represented by its Project Manager
Sri K.P.Reddy, S/o.Late Sri K.V.Reddy

... Petitioner

AND

The Secretary to Government of Andhra Pradesh,
Department of Industries and Commerce, Secretariat
Hyderabad

... Respondent

THE HON'BLE SRI JUSTICE V.V.S.RAO

WRIT PETITION No.1404 of 2007

ORDER:

The petitioner is lessee for mining garnet over an extent of 95.085 hectares on the banks of Nagavalli River in Srikakulam District. The petitioner found other minerals in addition to garnet, which include ilmenite, rutile, leucoxene, zircon, sillimanite and monazite. The grant of lease for these minerals was governed by Automic Energy Act, 1962, and Automic Energy (Working of Mines, Minerals and Handling of Prescribed Substances) Rules, 1984. It appears that A.P. Mineral Development Corporation (APMDC) along with its Joint Venture Partner proposed to apply for grant of mining lease in respect of ilmenite over an extent of about 1000 hectares including the area leased out to the petitioner. The petitioner, claiming preferential right under Rule 24(5) of the Mineral Concession Rules, 1960 (the Rules, for brevity), made application. When the said application was denied for consideration, the petitioner filed W.P.No.19668 of 2006. This Court disposed of the said writ petition directing the Government of Andhra Pradesh, the respondent herein, to notify the petitioner as and when proper application is made by APMDC for ilmenite and heavy mineral beach sands. Thereafter, the petitioner also filed another writ petition being W.P.No.23572 of 2006 and the same was also disposed of giving liberty to the petitioner to submit explanation/application to the Government as per Rule 24(5) of the Rules. In obedience thereto, the respondent issued memo dated 12.1.2007

calling upon the petitioner to explain as to why the application of the petitioner should not be rejected for grant of mining lease. The petitioner was asked to submit explanation within ten days. The petitioner submitted explanation on 22.1.2007. Two days prior to that, on 20.1.2007, the respondent issued another memo informing the petitioner additional reasons/points to be read along with show cause notice dated 12.1.2007. The petitioner was asked to submit explanation within the time stipulated in the earlier show cause notice dated 12.1.2007. Aggrieved by the same, the present writ petition is filed, assailing the impugned notice dated 20.1.2007.

The matter was called for preliminary hearing on 25.1.2007. Learned Government Pleader for Industries and Commerce requested time for getting instructions. Today, after getting instructions, learned Government Pleader submits that the matter was posted for hearing on 05.2.2007 and that petitioner can raise all objections in the enquiry.

Learned Counsel for the petitioner submits that the petitioner was asked to submit explanation regarding under-utilization of mineral wealth, setback in economic development and loss of anticipated foreign exchange earnings, and therefore, the petitioner is required to submit necessary material, which is voluminous. He, therefore, seeks minimum four weeks time for submitting effective explanation/representation to the additional show cause notice dated 20.1.2007.

There is no denial that after receiving show cause notice dated 12.1.2007, petitioner has already submitted explanation on 22.1.2007 within the stipulated time. Curiously, respondent again came forward with additional reasons/grounds for the proposed rejection of petitioner's application under Rule 24(5) of the Rules. When the respondent informed the additional reasons and if the petitioner desires to place all material to counter grounds in show cause notice, time granted i.e., 48 hours would certainly be insufficient. Therefore, this Court is of considered opinion that three weeks time can be granted to the petitioner to submit explanation and the date of hearing shall be accordingly postponed. In facts and circumstances of this case, such a direction would be very fair to both the parties.

The writ petition is accordingly disposed of, granting three weeks time from today to the petitioner to submit explanation/representation to the show cause notice dated 20.1.2007. No costs.

(**V.V.S.RAO,J**)

February 01, 2007.

NOTE:

Dispatch order copy by
05.2.2007.
(By order)
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